




PUBLIC DISCLOSURE STATEMENT

BANK AUSTRALIA LIMITED

**ORGANISATION CERTIFICATION
FY2021-22**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	Bank Australia Limited
REPORTING PERIOD	1 July 2021 – 30 June 2022 Arrears report
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p>  <p>Name of signatory: Damien Walsh Position of signatory: Managing Director Date: 13 September 2023</p>



Australian Government
**Department of Industry, Science,
Energy and Resources**

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Version March 2022. To be used for FY20/21/CY2021 reporting onwards.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	767.00 tCO ₂ -e
OFFSETS BOUGHT	100% VERs
RENEWABLE ELECTRICITY	100.00%
TECHNICAL ASSESSMENT	Date 24 June 2022 Name Organisation EY Next technical assessment due: FY2024

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2. CARBON NEUTRAL INFORMATION

Description of certification

This certification is for the Australian business operations of Bank Australia Limited (ABN: 21 087 651 607).

Organisation description

Bank Australia Limited is an authorised deposit taking institution headquartered in Melbourne, Victoria with a national network of eleven branches and seven office sites around Australia. We report on our organisation's scope 1, 2 and 3 emissions as per the Greenhouse Gas Protocol and are seeking carbon neutral certification as an organisation.

We use the operational control approach to set our organisational boundary. We have three subsidiaries over which we have full operational control: Ed Credit Services Pty Ltd, ECS Unit Trust and Buloke Funding Trust No. 1. Our emissions inventory covers Bank Australia Limited and these subsidiaries, as the subsidiaries are located on the same premises and do not have separate operations to the consolidated entity.

Bank Australia holds equity investments in two unincorporated entities, Data Action Pty Ltd and Cuscal Limited, which provide banking and payment services to Bank Australia and other financial institutions. These entities are excluded from the organisational boundary as Bank Australia does not have operational control over them. In FY22, emissions from these entities have been included as Scope 3 emissions in Bank Australia's supply chain as these entities are key suppliers to Bank Australia.

Our emissions inventory incorporates the seven greenhouse gases listed under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Climate Active is a foundational part of measuring, reducing and offsetting our operational emissions.

3.EMISSIONS BOUNDARY

Inside the emissions boundary

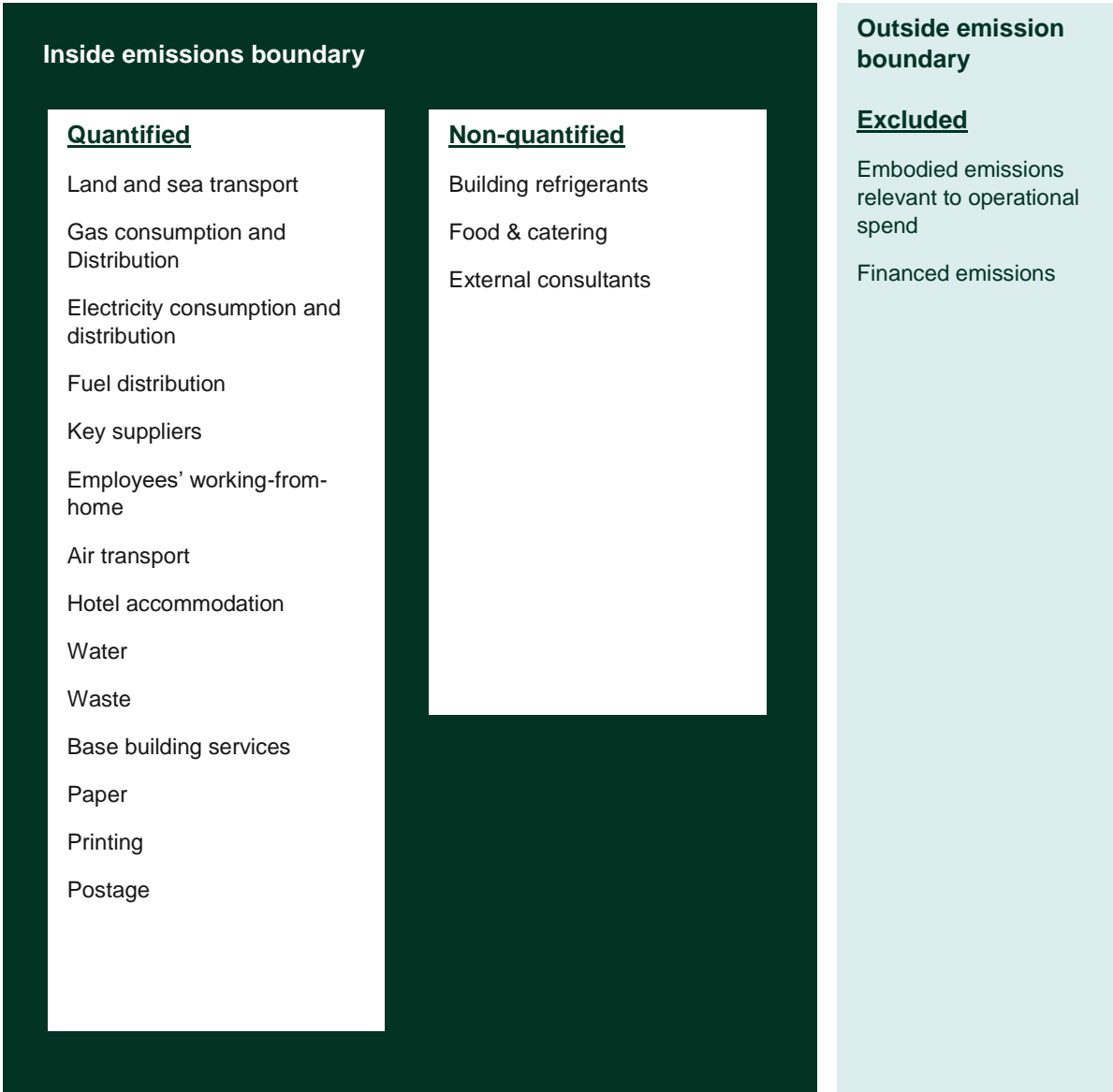
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.



Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In April 2022, Bank Australia committed to net zero, including in its operations, by 2035 (from a 2021 base year). Over 2022-23 and 2023-24 will be collaborating internally, as well as with suppliers, employees and partners to develop an implementation plan towards realising the ambition of this goal. As part of its work towards this goal, the bank has committed to ceasing car loans for new fossil fuel cars from 2025. It also has the goal of financing \$1.5b in clean energy transition and conservation by 2025, including growing its funding for green homes, electric vehicles, green property and green bonds.

In the meantime, the bank has committed to structural foundations for reducing emissions across its value chain (scopes 1, 2 and 3) through relocating the head office to improve access to public and active transport options for staff commutes, and to commence the replacement of hybrid vehicle fleet with electric vehicles.

In FY22, we reported 23.25 tCO₂-e of scope 1 emissions associated with fleet vehicles, representing 3.03% of our total gross emissions. All of these vehicles are hybrid powered vehicles. Prior to the pandemic, emissions associated with our fleet were 67.40 tCO₂-e (FY19), and we anticipate as the bank continues to grow emissions from our fleet could exceed this level within five years without intervention.

Bank Australia has committed to cease further procurement of internal combustion engine or hybrid cars from FY23. Electric vehicles will be purchased to replace our hybrid vehicle fleet at the end of their natural tenure with the bank. We expect over 50% of the hybrid vehicle fleet to be replaced by end FY25, representing a 1.50% reduction in total gross emissions, with a further 1.50% reduction by end FY27.

This decision also presents additional opportunities for emissions reductions, such as charging installation of on-site charging infrastructure encouraging more staff and customers to privately invest in electric vehicles. We anticipate this will further reduce emissions within our boundary from the staff commute and employee-owned vehicle travel emissions sources, which represented 24.77% of pre-pandemic total gross emissions (FY19).

Bank Australia is committed to continuing to source 100% of its electricity from renewable sources, including the electricity sourced to charge fleet vehicles off-site and on-site.

Emissions reduction actions

In 2021-22, we installed digital utility metering at three of our major sites, which will begin to provide a greater transparency and insights to enable more efficient use of electricity. We also installed a 71.55 kW solar PV system at our Bendigo site, increasing our behind the meter electricity generation, reducing our reliance on surrendering LGCs.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e
Year 1:	2017-18	1,637.00
Year 2:	2018-19	2,169.00
Year 3:	2019-20	1,227.00
Year 4:	2020-21	699.77
Year 5:	2021-22	766.49

Significant changes in emissions

Relative to 2020-21, year-on-year emissions in 2021-22 increased by 66.72 tCO₂-e, or 9.53%. This was primarily driven by a rise in scope 3 emissions of 49.82 tCO₂-e, or 7.67%, as well as an increase in scope 1 emissions of 17.00 tCO₂-e, or 34.11%. This is despite a decline in scope 1 emissions associated with gas consumption (-4.25 tCO₂-e, or -8.88%). Job needs and salary packaged vehicles are being reported under scope 1 emissions for the first time in 2021-22, contributing to the increase in scope 1 emissions and the reducing the magnitude of the increase in scope 3 emissions. Changing the scope of the emissions associated with these vehicles is consistent with operational control guidance as the business is responsible for vehicle running costs.

The rise in scope 3 emissions reflects a partial return towards pre-pandemic activity for some emissions sources, including:

- Increases in Land and sea transport (+55.80 tCO₂-e, or +33.46%); Air transport (+27.42 tCO₂-e, or +87.11%); and Hotel accommodation (+23.05 tCO₂-e, or +146.19%) partly offset by;
- Declines in emissions from employees working-from-home (-24.02 tCO₂-e, or -9.66%).

A rise in emissions associated with Waste (+12.71 tCO₂-e, or +46.69%) reflects increased employee numbers and a rising proportion of employees working from the office. Declines in emissions associated with Postage (-18.94 tCO₂-e, or -27.09%) reflect structural changes in the way customers engage with the bank; whereas declines in emissions from Paper (-12.00 tCO₂-e, or -96.75%) reflect a larger share of paper being sourced from Climate Active certified sources. Decline in emissions associated with Printing (-9.52 tCO₂-e, or -45.01%) largely reflects a reduction in printing, as well as a change in methodology to align with Climate Active standard methods.

Emission source name	Current year (tCO ₂ -e and/ or activity data)	Previous year (tCO ₂ -e and/ or activity data)	Detailed reason for change
Transport (Land and Sea): Medium Car: unknown fuel	209.61	134.04	Employees returning to work-from-office; increased employee travel requiring

			taxis/rideshare
Transport (Air): Short economy class flights (>400km, ≤3,700km)	43.00	28.10	Increased employee and partner business travel as pandemic restrictions eased
Waste: General waste (municipal waste)	39.94	27.23	Employees returning to work-from-office
Bespoke - Postage, Courier and freight: postage	50.96	69.90	Structural changes in the way customers engage with the bank
Working from home: calculator - Result A - VIC	210.71	236.24	Employees returning to work-from-office

Use of Climate Active carbon neutral products and services

In 2021-22, Bank Australia directly or indirectly procured an estimated 6,108.93 kgs of Climate Active certified paper (Opal Australian Paper).

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	38.81
Bespoke – key suppliers	44.32
Bespoke – postage, courier and freight	50.96
Office equipment & supplies	12.03
Stationary Energy (gaseous fuels)	46.99
Transport (Air)	58.91
Transport (Land and Sea)	245.83
Waste	39.94
Water	3.98
Working-from-home	224.73
Total	766.50

Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

N/A

6. CARBON OFFSETS

Offsets retirement approach

Forward purchasing	
1. Total eligible offsets forward purchased and retired in last year's report	957
2. Total emissions footprint to offset for this report	767
3. Total eligible offsets retired and used for this report	767
4. Total eligible offsets forward purchased and retired for next year's report	1100
5. Total eligible offsets forward purchased and retired for next year's report plus any remaining banked offsets to be carried over	1290

Co-benefits

In purchasing offsets, we support a Gold Standard-approved carbon offset project focused on replanting native forests in Timor Leste through WithOneSeed. While sequestering residual emissions from our operations, this project also provides co-benefits that align with our values of conservation and self-determination for Indigenous peoples.

Eligible offsets retirement summary

Offsets cancelled for Climate Active Carbon Neutral Certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
WithOneSeed Timor Leste	VER	GSR	19 Oct 2021	GS1-1-TL-GS4210-21-2020-21820-4553-5652	2020		1,100	0	333	767	100%
Watchbox conservation project, Victoria Stapled to Inner Mongolia Ximeng Zheligentu Wind Farm Phase I Project	ABU	-		VOL001 6035-7500 & VOL002 1-134 & 1271-4470		2,300	-	-	-	-	-
	VCUs	VERRA	16 Sep 2021	9651-115152188-115154487-VCS-VCU-259-VER-CN-1-849-01012018-20072018-0	2018		2,300	1343	957	0	0%
Total offsets retired this report and used in this report										767	
Total offsets retired this report and banked for future reports									1,290		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Emissions Reductions (VERs)	767	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1. Large-scale Generation certificates (LGCs)*	568
2. Other RECs	0

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	103591-103637	2021	47	Wind	Victoria, Australia
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	206714-206856	2021	143	Wind	Victoria, Australia
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	111584-111603	2021	20	Wind	Victoria, Australia
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	206101-206262	2021	162	Wind	Victoria, Australia
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	92412-92606	2022	195	Wind	Victoria, Australia
Pacific Hydro Crowlands Pty Ltd	LGC	REC Registry	15 Sep 2022	WD00VC32	103638	2021	1	Wind	Victoria, Australia
Total LGCs surrendered this report and used in this report							568		

APPENDIX A: ADDITIONAL INFORMATION

For information on Bank Australia's climate action strategy see: www.bankaustralia.com.au/climate

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach.

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kgCO ₂ e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	64,145	0	8%
Total non-grid electricity	64,145	0	8%
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	568,000	0	72%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	23,281	0	3%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	5,316	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	129,495	0	16%
Residual Electricity	-912	-907	0%
Total grid electricity	725,180	-907	92%
Total Electricity Consumed (grid + non grid)	789,325	-907	100%
Electricity renewables	790,237	0	
Residual Electricity	-912	-907	
Exported on-site generated electricity	38,756	-28,292	
Emissions (kgCO ₂ e)		0	
Total renewables (grid and non-grid)	100.12%		
Mandatory	20.03%		
Voluntary	71.96%		
Behind the meter	8.13%		
Residual Electricity Emission Footprint (TCO₂e)	0		

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	28,597	22,306	2,002
NSW	22,584	17,615	1,581
SA	41,208	12,362	2,885
VIC	586,480	533,697	58,648
QLD	46,311	37,049	5,557
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Grid electricity (scope 2 and 3)	725,180	623,030	70,673
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
VIC	64,145	0	0
QLD	0	0	0
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Non-grid electricity (Behind the meter)	64,145	0	0
Total Electricity Consumed	789,325	623,030	70,673

Emission Footprint (TCO2e)	694
Scope 2 Emissions (TCO2e)	623
Scope 3 Emissions (TCO2e)	71

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
N/A	0	0

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Two emissions sources have tested relevant to the boundary but have not been quantified, including emissions associated with:

- Building refrigerants, which have not been quantified because they are immaterial, and data is unavailable and cannot be determined cost-effectively; and
- Food & catering, which have not been quantified because they are immaterial, particularly given the very small number of face-to-face events held during 2021-22, and data is unavailable and cannot be determined cost-effectively.

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Building refrigerants	Yes			
Food & catering	Yes			
External consultants	Yes			

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to Bank Australia's operations and are outside of its emissions boundary. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a

particular source.

3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

These emissions are not part of the carbon neutral claim because they satisfy less than three of the above criterion:

- Embodied emissions relevant to operational spend has been excluded as it has been assessed as not relevant according to the relevance test.
- Financed emissions are not included within the inventory boundary as the carbon neutral assessment scope is limited to Bank Australia's operations. Bank Australia's climate action strategy outlines our targets to reduce our financed emissions, including our validated science-based emissions reduction target.

	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Embodied emissions relevant to operational spend	No	No	No	No	No	No
Financed emissions	Yes	Limited	Yes	Yes	No	No



An Australian Government Initiative

